



Mayor William D. Euille
2005 State of the City Address
Alexandria Chamber of Commerce

February 25, 2005

Good morning. Thank you for that kind introduction.

First, let me thank the Chamber of Commerce for hosting this State of the City address. Let's also pay tribute to each of you here for watching or listening at home who care deeply enough about the future of our City to participate. I am grateful. Alexandria's citizens are informed - ready to contribute time and talent to this City and its people. Partnership between the City government, residents and the business community is democracy at its best - your presence today tells me that partnership is already underway.

Before I begin to share our accomplishments and look at the potential bright future ahead, allow me a few reflections about the job and the honor of being your Mayor.

Despite the long hours and never-ending demands, and the continuing critique that are now part and parcel of public life. . .

Despite the constant scrutiny, I continue to be honored and energized by being your Mayor. I deeply appreciate the faith and hope that the good people of this City put in their Mayor and City Council. I love this City and I love this job. We may not be able to provide all that every citizen desires, or even deserves, but we can, and I believe we are, a compassionate, engaged City Hall that is listening and responding to the extent our resources allow.

Further, despite our many accomplishments this past year, we dare not rest on our laurels. We must move Alexandria into a future that puts us on the national scene as one of America's most diverse cities and most livable cities, a place that values education, that celebrates arts and culture, that values the worth of every citizen - a good place to raise children, a great place to call home. We are a good city, not yet great, but greatness is within our reach. We are a city of opportunity, hope, prosperity, faith and inclusiveness.

The City's day-to-day operations are in especially good hands now with the recent hiring of a new City Manager, Jim Hartmann. Jim, please stand and be recognized (.....pause.....). Thank you. We are very fortunate to have someone with Jim's caliber as our new City Manager. His experience, leadership, and commitment to quality local government will be an asset to this City. Before coming to Alexandria, Jim was the County Administrator for Spartanburg County, South Carolina. Jim does have big shoes to fill, however. The City and its residents owe a great deal of gratitude to Phil Sunderland, who was City Manager for nearly 5 years and prior to that, City Attorney for 14 years.

So, what is the State of the City of Alexandria? It is excellent!

Last September, more than 97 percent of the 1,000 Alexandrians polled in a City-wide survey said their quality of life in Alexandria is very good or good. Compared to two years ago, almost 80 percent said their quality of life was better or did not change. But even with those good ratings, the City government knows it has work to do to continue to make Alexandria an even better place in which to live and work.

Last fall the City Council, with the leadership of Vice Mayor Pepper and Councilman Smedberg, adopted a Strategic Plan with seven goals for 2004 through 2015 and a Vision for 2015 with seven principles. Copies of the Strategic Plan and Vision have been placed at each table (hold up a copy to show the audience). I encourage you to take copies of the Plan with you. This Plan will be the Council's road map to fulfill its vision, which we believe can be achieved by working together on common goals including "A CARING COMMUNITY".

This is my second State of the City address, and last year I talked about the importance of residents, business persons, civic leaders and elected officials working together for ONE Alexandria. We are taking the ONE Alexandria theme

a step further because this year the City Council is dedicated to working with the businesses and residents to make Alexandria an even more CARING COMMUNITY WITH A BRIGHT OUTLOOK.

There is much good news to report and much of it relates to Alexandria's healthy economy:

- Moody's Investors Services, Inc., and Standard & Poor's credit rating agencies reaffirmed the City of Alexandria's double-triple A bond ratings, the highest ratings possible. Alexandria remains one of only 44 cities and towns and 33 counties in the United States with perfect bond ratings from the nation's two leading municipal credit rating agencies. In awarding these ratings, the rating agencies pointed to our strong local economy, strong property value growth, solid fiscal management and continued commitment to use "pay as you go" financing as a major component of our CIP funding plan.
- The City's unemployment rate, in the fourth quarter of 2004, stood at only 1.8 percent, down from 2.5 percent 12 months ago. This compares with 5.1 percent nationally and 3.3 percent in Virginia.
- Alexandria's office vacancy rate stands at 9.27 percent compared to 10.5 percent one year ago. In Northern Virginia the office vacancy rate is 13.37 percent.
- Alexandria's real estate values are also a sound indicator of our overall economic strength, as well as the City's attractiveness as a place to live and work. The news is good and not so good, depending on which side of the 'for sale' sign you are on. The overall assessed value of real property increased 21.2 percent over last year. Approximately 14.6 percent of this increase is the result of new construction, including \$245 million related to the latest phase of construction of the U.S. Patent and Trademark Office. This brings the PTO value to date to almost \$900 million. Another bit of good news: For their assistance in working with the City to get PTO to decide to move to Alexandria, the Alexandria Economic Development Partnership will receive the Excellence in Planning Award next month from the Economic Development Division of the American Planning Association.

- The City Council recognizes the increased burden of the higher assessments on residents and I will take this into consideration when reviewing next year's budget and the real estate tax rate. I am pleased to tell you I am committed to hopefully decreasing our real estate tax rate as much as 6 to 8 cents when the Council votes on the budget on May 2.
- An important part of Alexandria's economy is its tourism industry. Fiscal year 2004 was the best year for tourism spending by overnight visitors in Alexandria hotels in four years. Hotel occupancy increased 5% last year and appears to be increasing that much again or more this year. Council also awaits the report of a Citizens Task Force on Improving Tourism that is due before we recess in June.

While Alexandria's economy remains healthy, the Council's Strategic Plan includes a goal for "a strong economy that is growing in varied small businesses and job opportunities." At last year's State of the City, I introduced the newly appointed Business Facilitator, Tom Fairchild. I hope by now most of you have had an opportunity to meet and work with Tom. The Business Facilitator is key to Council's commitment that Alexandria is "business friendly" and to help small businesses and all businesses - thrive in Alexandria. One kind of business we want to thrive is our great restaurants. I am pleased to report that earlier this month (February 12) the City Council voted to extend a pilot program for outdoor dining in the King Street corridor and a portion of Diagonal and Daingerfield Roads from March through December 31 this year. The initial pilot program, which ran from September through December 2004, was very successful with about two dozen restaurants participating creating a lively and active street scene, favorable to businesses and enjoyable for residents and visitors.

Lunch time dining and shopping along King Street has also been made easier for the 7,000 PTO employees and others in the area with the launch early this year of the free DASH Lunchtime Shuttle bus which runs about every 10 minutes during midday from PTO/Carlyle to Old Town and back.

In addition to a healthy economy, the safety and security of Alexandria is a top priority. Here are some examples:

- Part I crimes, the most serious, dropped 16 percent over the last year. Larcenies dropped 22 percent and thefts from autos and thefts of auto parts

decreased more than 34 percent, due to the high visibility of patrol officers and community support officers in the field. I am pleased to report that in calendar year 2004 the amount of serious crime in Alexandria was at its lowest point in 35 years.

- The Police Department received a one-time federal grant for \$700,000 to buy equipment to improve its criminal and homeland security responsiveness. The funds were used to purchase several marked and undercover vehicles and mobile computers to complete the Department's program to equip every uniformed officer with a field computer.
- The City's fire and emergency medical services units continue to respond quickly to emergencies. In 2004, the average response time to a fire was 4.11 minutes and to an emergency medical call it was 4.10 minutes. To ensure that the City's safety remains at its highest level, and due to the City's expanding worker and resident population, we are studying the need for and potential location of a new, ninth fire station.
- Both fire and police continue to train staff and acquire equipment needed for the safety and security of the community. Just last fall the Fire Department's Marine Operations Team received a state of the art fire/rescue boat to fight fires and conduct rescues on the Potomac River. The new boat was put to the test last month when a helicopter crashed just south of the Woodrow Wilson Bridge. City fire fighters in the fire boat were the first to find the wreckage and rescue the lone survivor from the frigid waters of the Potomac.
- The City's emergency preparedness continues to be a top priority. Last year the City Council established the Citizens Corps Council to increase involvement of residents and businesses in emergency preparedness. Co-chaired by Councilmembers Rob Krupicka and Ludwig Gaines, the Corps Council sponsored the City's first emergency preparedness public forum in October. The Council also launched a year-long "Be Ready, Alexandria!" emergency preparedness campaign and so far more than 10,000 bags have been delivered door to door with safety information and emergency preparedness magnets.

Shaping development and land use for current and future Alexandria residents and businesses is one of the most important responsibilities of the City. One of the Council's top goals is quality development and redevelopment that is well-planned and consistent with Alexandria's vision. This past year, the City Council approved an unprecedented amount of high quality innovative new projects:

- The exciting Potomac Yard development is on its way with infrastructure construction scheduled to begin later this year for what will eventually be a retail center with stores and restaurants, office space, residential townhouses or condominiums and more than 16 acres of parks and open space. This portion of the former railroad yard will be transformed into a dynamic City gateway between north Old Town and Del Ray, to include a new straightened Monroe Avenue Bridge and other infrastructure improvements.
- The City announced last May there is a great opportunity for a "town center" to be created in the West End with the Landmark Mall redevelopment, a 51-acre mixed use project with residential units, a hotel and substantial retail space. Landmark Mall is overdue for an upgrade. It was built in 1965 as an open-air center and the mall was enclosed later with the most recent major improvements made in 1990. There is much work to be done, but I am pleased with the cooperative efforts of residents, neighbors, City staff and the mall owners in working on plans to create a quality development which will add new tax revenues to the City's coffers. I will appoint a Landmark Mall Task Force to work with the developer and staff to provide input in overseeing this significant development project.
- People have begun moving in to the first phase of the 152 units of market rate and affordable housing at Chatham Square, formerly the Samuel Madden Homes development in Old Town. The project is the first of its kind in the country, with 52 on site affordable rental units developed in a unique public/private partnership.
- In the Inner City area, there will be 64 new residential units at the former Hopkins Warehouse in the Prescott project and 168 residential units and 15,000 square feet of retail at the former Hennage building.

- The last two sections of Cameron Station have been completed, adding a total of 245 residential units.

The City is continuing to work with businesses and residents in reaching consensus on major planning initiatives, including:

- The East Eisenhower Plan, adopted by City Council in 2003, with the potential for 17 million square feet of development including Carlyle and PTO
- The King Street Retail Strategy, with Council action expected this spring
- The Mount Vernon Avenue Area Plan, which recommends enhancements to the commercial corridor in the heart of Del Ray and will be considered by Council this spring
- The Hunting Creek Area Plan south of the Beltway and near the Woodrow Wilson Bridge construction.
- The Braddock Road area, east of the Metro Station and west of North Patrick Street with the planning effort to begin in 2005.
- And finally, the Waterfront Plan, which focuses on the areas from Wolfe to beyond King Street. The City would like to purchase the last undeveloped waterfront parcels and to plan their use for permanent public space. As you know, Council took a significant preliminary step when it approved the open space action plan to explore the purchase of waterfront properties including those on the strand and asked staff to meet with the owners of those properties to discuss a potential purchase.

Economic development and quality of life can go hand-in-hand. Every part of the City is different, but every part of the City deserves the opportunity to thrive. To facilitate these redevelopment efforts, we will continue to make our City government more business friendly. We will be committed to cross-training our staff, creating efficiencies in time and resources - from plan reviews to inspections. We will continue to support small businesses. When it comes to the preservation and revitalization of our neighborhoods, we are launching "Blue Print Alexandria",

which recognizes that land use and transportation are inter-connected and part of our guiding vision. This is smart growth.

As part of Council's commitment to making Alexandria a CARING COMMUNITY, affordable housing is a top priority.

Where there is tremendous growth in housing, the demand throughout our region is driving up prices. While the demand has created excellent opportunities for some, the cost of homeownership is up significantly and affordability is down. Affordable housing is important in ensuring that we have an economically diverse city. In last year's survey, "more affordable housing" was identified as the top "unmet community need" in Alexandria. Councilwoman Joyce Woodson's commitment to affordable housing is both long-standing and well known, and I applaud her efforts and those of the other Council members. Let me tell you about just some of the City's efforts in this area:

- The Alexandria Housing Development Corporation was created as a private, non-profit dedicated to the development and preservation of affordable housing in Alexandria, including the Hunting Towers/Hunting Terrace Apartment sites.
- In December, Council approved construction of a new eight-unit apartment building on Duke Street, known as the Beasley Square Project, for low-income senior citizens. In January the Council voted to spend more than \$1 million to pay for improvements to the 27-year-old Ladrey Senior Highrise a residence in Old Town for poor, elderly Alexandrians.
- As I noted earlier, the new Chatham Square development in Old Town, with 52 units of public housing, plus another 48 units of public housing planned on three sites scattered in the west end of the City will replace all 100 of the public housing units that were located in the former Samuel Madden development.
- The Assisted Living Work Group, which includes members from City staff, the Commission on Aging, ARHA, and Alexandria's continuing care retirement communities, is exploring the feasibility of developing an affordable assisted living facility in Alexandria and will be making recommendations to Council in the spring.

- In addition to these initiatives, the City continued to assist first-time homebuyers who either live or work in the City to buy homes here. Nearly \$2.3 million was spent to assist 69 homebuyer households, a record level of activity for one year. Included in the 69 households were 15 teachers and other public employee households and 2 households that were formerly Section 8 voucher holders.
- To help potential homebuyers navigate the challenges of the homebuying process, the City is sponsoring its 11th annual Homeownership Fair on April 9 at GW Middle School. Many of you in this room, especially real estate professionals and lenders, have signed up to participate - and I thank you for that.

Before I leave the topic of housing, I want to announce that the City is launching today a two-month fund-raising effort to assist victims of the tsunami in Sri Lanka. The City Council agreed last Tuesday to support the collection of funds to assist the work of a non-profit organization called Shelter for Life. Flyers about the City fund raising program have been placed on the tables. Beginning next week, more information will be available on the City web site. I encourage you to participate...make checks payable to City of Alexandria - Tsunami relief.

People create vitality. People create jobs. People buy homes. People help one another.

The education of our children is a key component of our CARING COMMUNITY. The City Council's Strategic Plan includes a goal that the City's public schools "are among the best in Northern Virginia." Some of the Alexandria schools' highlights last year include:

- Ground was broken in December for the new TC Williams High School, a state-of-the art, high tech facility that will also be a "green", environmentally-designed building. The new building is scheduled to be completed in 2007.
- School programs continue to be added or improved to help our students be more prepared for higher education and the 21st century workplace. For example, this year every 9 through 12th grade student was supplied with lap top computers to use at school and home.

- 556 students graduated from TC Williams High School in 2004 and 89 percent went on to higher education
- Based on Virginia's Standards of Learning tests, 12 of the City's 16 schools are fully accredited.
- Alexandria public school students come from 88 countries and speak 56 languages; 2,379 attend ESL classes.
- A final report is expected soon on an important, comprehensive study of school-age before and after school childcare in the City. Our children are the key to our future and the study will recommend restructuring and expanding the opportunities for before- and after-school childcare. I want to ensure that Alexandria can provide the highest quality early childhood education to the greatest number of children.

Some of the most valuable time I have spent as Mayor has been my visits to our schools. We have great gifts in this City: the smile of a child inspired by the promise of college, the visionary courage of our teachers adopting new techniques, and the commitment of our community to support our public schools.

As a CARING COMMUNITY, Alexandria is dedicated to providing human and social services to residents of all ages and medical and mental health care for uninsured and underinsured residents. In 2004, the first health assessment study of its kind for Alexandria was completed which will help the City and the Health Department focus on the top three health priorities for our community, which were identified as obesity, tobacco use, and substance abuse. One of the keys to a healthy economy is a healthy community. The region's air quality is a challenge and one we cannot ignore. Second-hand smoke, smoking and traffic congestion are contributing factors, which we must address.

Public health assistance for the Alexandrians who need it most is more convenient now since the Alexandria Health Department moved to its new home in the west end of Alexandria after 60 years in Old Town. The new location at 4480 King Street is more convenient for many of the residents who use the various public health facilities. The Department of Mental Health, Mental Retardation and Substance Abuse's Clubhouse program and substance abuse day treatment center also moved from the Old Town area to the west King Street building.

Another top Council goal is an integrated, multi-modal transportation system that gets people from point A to point B efficiently and effectively. Let me tell you about several actions this past year to improve transportation:

- Metro: Improvements are underway at the King Street Metro Station platform ... and along with our Washington area neighbors, Alexandria approved the \$1.5 billion Metro Matters funding plan. Here is some good news: the Metro Bus Barn in Old Town is scheduled to close within the next couple of years and the site is to be redeveloped.
- DASH: Alexandria's hometown, quality public transportation bus system celebrated its 20th anniversary in 2004 and plans are underway for a new maintenance facility and expanded bus fleet into areas of the City not already served, such as Potomac Yard.
- Woodrow Wilson Bridge: The bad news, as you know, is that the construction is causing additional traffic problems in Alexandria. However, there is no question that traffic congestion in the City will eventually be reduced significantly by the Bridge project. The good news is that construction is on schedule and on budget. Special thanks goes to Councilman Andrew Macdonald who serves with me as co-chair of the Woodrow Wilson Bridge task force, which works closely with those overseeing the project to minimize disruptive impacts on Alexandria.
- Duke Street Concourse: this walkway under Duke Street connecting King Street Metro to the PTO campus opened in July to provide safe passageway for pedestrians without conflicting with vehicular traffic.
- The City's DOT Paratransit program for persons with disabilities celebrated 20 years of service in November. This service complements the DASH bus and transports thousands of people each year. The service was improved even more with the addition last fall of three state-of-the art paratransit vehicles.
- A Transportation Task Force has been formed to make recommendations to council on how to revise the transportation element of the City's Master Plan and address what was identified as the number one concern of Alexandrians in last fall's survey: traffic congestion.

As I stated at the beginning of my talk, 97 percent of residents surveyed said their quality of life in Alexandria is good or very good. The survey results are a good indicator of how the City is doing, and so are honors and recognitions. In 2004, Alexandria received:

- National accreditation for the City's Recreation, Parks and Cultural Activities Department, only the second department in Virginia and one of 46 in the United States to earn this recognition.
- National re-accreditation of both the Alexandria Police Department and the Alexandria Office of Sheriff by the Commission on Accreditation of Law Enforcement Agencies.
- The Virginia American Planning Association Award for a Master Plan, for the Eisenhower East Small Plan Area.
- Recognition as "One of the Best Workplaces for Commuters" in the greater Washington area from the US Environmental Protection Agency.
- The Preserve America Community designation, which was presented by First Lady Laura Bush to encourage and support community efforts for the preservation and enjoyment of America's priceless cultural and natural heritage.
- The Distinguished Budget Presentation Award for the City's budget for the 16th consecutive year, and an Excellence in Financial Reporting award for the 26th consecutive year.
- For the 21st year, the National Arbor Day Foundation's Tree City USA Award.
- A Lifetime Achievement Award from the ENDependence Center of Northern Virginia to the Alexandria Commission on Persons with Disabilities for expanding the rights and services of people with disabilities.
- The City is also applying for the prestigious All America City Award, which Alexandria received in 1964, 1965 and 1985; and the Livability Award, bestowed by the US Conference of Mayors.

In June, Council will honor the first graduates of the Alexandria Citizens Academy. The Academy, which will begin with a pilot in April, is designed to help citizens learn the structure, functions and activities of the Alexandria City government, to encourage citizens to become involved, and to enhance citizens' ability to communicate effectively with City officials.

In addition to honors and awards, quality of life is also measured by recreational, cultural and educational opportunities. In 2004, Alexandria celebrated:

- The 5th anniversary of the Charles E. Beatley, Jr. Library, which circulates 36,000 books and other material each month and has had more than 2 million visitors since it opened.
- The re-opening of the renovated Recreation Parks and Cultural Activities Department's Durant Center, as the City's first facility dedicated to the arts.
- The second annual Festival for the Arts and other outstanding special events including the Christmas Walk, George Washington Birthday Parade, the St. Patrick's Day Parade, and Alexandria Birthday Celebration.
- The first annual Outdoor Film Festival, presented by Comcast and the City. Mark your calendars for this summer's festival on July 29, 30 and 31 at Ben Brenman Park.
- The first annual "Read to Me Alexandria" summer program in the City's parks.

The City Council is also considering the possible construction of an All-City Sports Facility, with Hensley Field the likely location, to provide recreation outlets for the entire community - everything from Friday night football games and women's lacrosse championships, to soccer, track and other sport competitions. It is well known that an active lifestyle is a healthy lifestyle, which contributes to quality of life.

Also, we need to engage the public and begin discussion for a cultural arts/history/science museum (facility) to enhance tourism and knowledge.

In addition to providing recreation facilities for the community, the Council is committed to providing open space. To help protect and secure scarce open space, the Council adopted an Open Space Action Plan last year, which identifies key parcels for acquisition. Waterfront properties top the list. And, for the second year, revenue from one cent on the real estate tax rate is dedicated to the acquisition of open space.

To protect and improve the air quality in Alexandria, the City Council took several steps to curb pollutants from the Mirant Power Plant. The Mirant Community Monitoring Group was formed to ensure that impacts of the coal-burning electric generating plant on the quality of life of residents and the environment are dealt with in an expeditious manner. We appreciate Vice Mayor Del Pepper and Councilman Paul Smedberg representing the City Council on the working group.

In December, the City Council adopted an ordinance to reclassify the power plant as a nonconforming use, revoking the special use permits under which the plant operates. The City's zoning actions would require the plant to close within seven years, unless a longer period were to be approved by the Council, or to modernize and obtain City approval to continue operating. Soon after the ordinance was adopted, Mirant filed an action in the Alexandria Circuit Court challenging the City's actions. I have made it clear that we are prepared to vigorously defend the City's position in this case.

To further protect water quality, the City's Chesapeake Bay Ordinance was revised and strengthened with protections for streams from pollutants.

As I stated at the beginning, we live in a CARING COMMUNITY WITH A BRIGHT OUTLOOK. As the Council considers the budget for fiscal year 2006 and funding support for programs and services for residents and businesses, I assure you that our decisions will be shaped by the needs of the community: the residents and businesses. Last year's survey showed that 83 percent of the respondents said the City meets their service expectations always or most of the time. I hope we can raise that response to more than 90 percent.

I don't need to tell you that the State of the City, and more importantly, the way Alexandrians feel about their City, is positive. We are challenged with continuing the strong belief and feelings we all have that our City is a place that we choose to call home.

If our discourse and our disagreements are occasionally at odds politically in the neighborhoods, we can't lose sight of the fact that for every disagreement we may have, we have 10 things we agree on as a community - sharing values and direction of the City. We have so much more in common than everything that divides us, if you slice us racially, economically, or by neighborhoods, we share so much as a City.

"What we need in the U.S. is not division;" Bobby Kennedy said, "what we need in the U.S. is not hatred; what we need in the U.S. is not violence or lawlessness; but love and wisdom, and compassion toward one another, and a feeling of justice toward those who still suffer with our country...let us dedicate ourselves to what the Greeks wrote so many years ago; to tame the savageness of man and make gentle the life of this world".

So, to the residents, developers, builders and businesses in Alexandria, City Council and staff, thanks for your support, and together we can make 2005 another great year in our historic City.

Thank you.